



Affordable Housing Programs in San Diego

The City of San Diego – through its Housing Commission and Redevelopment Agency – offers a number of programs to help San Diegans afford rental and for-sale housing. These include first-time homebuyer programs, rental assistance, publicly owned apartments and affordable housing created in partnership with developers.

There are a variety of housing programs currently offered by the City to help individuals and families of various income levels – from "very-low income" to moderate-income households. Note, eligibility for programs is based on income – specifically, according to how your family's income compares to the "Area Median Income," or AMI. (See first-time homebuyer section for income ranges for those programs; see Page 6 for income ranges for other programs.)

Programs include:

Property rehabilitation programs. Lower-income (60 – 80 percent AMI) homeowners and rental property owners may be eligible for programs to help make needed repairs to older housing. For more information, please see the "Housing Rehabilitation Programs" section of the Housing Commission's web site at sdhc.net, and click on "housing rehab programs" – or call (619) 578-7521.

Rental Assistance and publicly owned housing. Low-income families (earning no more than 60% AMI, or \$36,060 for a family of four) may be eligible for housing assistance through the Housing Commission's Rental Assistance and public housing programs. The Rental Assistance, or "Housing Choice Voucher" program (also known as "Section 8") helps low-income families, seniors, and persons with disabilities afford their rent through supplemental rent payments from the Housing Commission paid directly to private landlords. The Housing Commission also owns and operates a number of attractive, well-maintained apartments ("public housing") located throughout the city.

With both programs, the family pays only around 30 percent of their total household income for rent. Note: unfortunately, both programs have waiting lists. For information or to obtain an application please call (619) 578-7305 for English, (619) 578-7306 for Spanish, or (619) 578-7307 for Vietnamese; or visit the Housing Commission's web site, www.sdhc.net and click on "Forms" then "WLPreApp&UpdateForm.pdf." Print a copy of the application form, complete and mail it to The Waiting List Department, P.O. Box 129017, San Diego, CA 92112-9017.

Affordable apartments created by developers with city funding. Through low-interest loans and other incentives from the Housing Commission and Redevelopment agencies, builders have created over 10,000 affordable apartments in San Diego. Income eligibility varies for these programs, but most are 50 – 65 percent AMI. To request a list of affordable apartments (most have waiting lists),

please call (619) 578-7313 and ask for a free copy of the Housing Commission's Guide to Affordable Housing (describes programs offered throughout the city and county).

First-time homebuyer programs

The San Diego Housing Commission and the City's Redevelopment Agency provide a number of tools to help low- to moderate- income families purchase their first homes in the City of San Diego. Assistance is in the form of down payment grants, tax credits known as Mortgage Credit Certificates (which help you lower your tax rate so that you may keep more of your income to use to pay your mortgage), "silent second" loans (which help you increase your buying power through deferred secondary financing), "purchase and rehabilitate" programs (to help you buy and fix up older housing), and homebuyer counseling.

- **Down payment/closing cost assistance grant**

First-time homebuyers earning 100 percent or less of AMI income can apply for a recoverable grant equal to four percent of the purchase price, not to exceed \$5,000, to be used toward the down payment and closing costs. The four percent assistance will be comprised of two percent for the down payment with the balance being used for closing costs. The grant is recoverable if the buyer sells or rents the home within the first six years. It is only available for conventional first mortgages with no balloon payments. Homebuyers are required to have a minimum down payment of three percent in addition to the grant.

- **MCC (mortgage credit certificate) program**

First-time homebuyers purchasing houses or condominiums within the city limits of San Diego can receive a tax credit equal to either 15 or 20 percent of the mortgage interest they pay each year on their federal income taxes. This increases their take home pay, which helps them make their monthly mortgage payment and qualify for a larger first mortgage. Buyers apply through participating lenders. Maximum income for a one-to-two person household is \$60,100 and \$69,115 for three or more. Maximum purchase price is \$283,688 for resale homes and \$368,085 for new. In certain targeted census tracts, income and purchase price limits are higher, and first-time buyer status is waived. Applications are processed through participating lenders, listed on the Housing Commission's web site, sdhc.net.

- **Calhome first-time homebuyer mortgage assistance program**

Qualified first-time homebuyers earning 80 percent or less of the AMI, as adjusted for family size, can purchase homes in the City of San Diego with the help of a deferred second trust deed loan of \$19,350. Loans are fully deferred at three percent simple interest, due in 30 years or upon sale, transfer, renting of the property, or refinancing. Buyers must have adequate income and an acceptable credit history, plus sufficient funds available for a minimum down payment of three percent and closing costs. Homebuyers are required to attend a homebuyer class offered by San Diego Neighborhood Housing Services.

- **Centre City Development Corporation's downtown first-time homebuyer program**

In an effort to make home ownership more accessible and affordable, Centre City Development Corporation (CCDC), on behalf of the Redevelopment Agency of the City of San Diego, created a program that assists first-time homebuyers earning 120 percent or less of AMI to purchase a home in downtown San Diego. This program provides financing, in the form of a second trust deed loan, not to exceed \$75,000. The loan is for 30 years at zero percent interest and has no monthly payments for the first five years. Beginning year six, buyers will be required to make level monthly principal payments. If the buyer sells within 30 years, they must pay an amount equal to CCDC's share of appreciation in value of the property. From year 30 to year 45, CCDC's share of appreciation is reduced by 50 percent. First-time homebuyers should apply

through the CCDC participating lender providing the first mortgage. (Lenders are listed on the Housing Commission's web site, sdhc.net.)

- **Shared equity program**

First-time homebuyers earning 80 percent or less of median area income, can purchase homes in the City of San Diego with the help of a “silent second” trust deed loan for 25 percent of the purchase price or \$40,000, whichever is less. No monthly payments of principal or interest are required. If buyer sells within 15 years, the equity in the property is shared with the Housing Commission. Buyer must have adequate income and an acceptable credit history, plus sufficient funds available for a minimum down payment of three percent and closing costs. Also, buyer is required to attend a homebuyer class offered by the first trust deed lender. Maximum purchase price or appraised value is \$261,609.

- **Home in The Heights** – The City will fund silent second mortgages for first-time homebuyers of up to \$15,000 per property within the City Heights Redevelopment Project Area to qualified borrowers displaced by school projects. The Home in the Heights loan can be combined with San Diego Housing Commission (HUD) funds (which can provide an additional \$40,000), or with Price Charities funds (which can provide an additional \$25,000.)

- **HOME WORKS!**

Purchase/Rehabilitation Program -- For buyers wanting to purchase and renovate older homes in targeted areas of the city. Program options include deferred loans, tax credits and down payment assistance.

To qualify for Housing Commission homebuyer programs, household incomes must fall under certain levels. Requirements are as follows:

SHARED EQUITY LOAN, HOME WORKS! AND CALHOME PROGRAMS	
Household Size	Maximum Annual Income (revised 2/1/02)
1 Person	\$33,650
2 Persons	\$38,450
3 Persons	\$43,250
4 Persons	\$48,100
5 Persons	\$51,950
6 Persons	\$55,750
7 Persons	\$59,600
8 Persons	\$63,450

**CENTRE CITY DEVELOPMENT
CORPORATION
DOWNTOWN FIRST-TIME
HOMEBUYER PROGRAM**

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Household Size	Maximum Annual Income
1 Person	\$50,500
2 Persons	\$57,700
3 Persons	\$64,900
4 Persons	\$72,100
5 Persons	\$77,900
6 Persons	\$83,650
7 Persons	\$89,450

DOWN PAYMENT ASSISTANCE GRANT

Household Size	Maximum Annual Income (revised 2/1/02)
1 Person	\$42,050
2 Persons	\$48,100
3 Persons	\$54,100
4 Persons	\$60,100
5 Persons	\$64,900
6 Persons	\$69,700
7 Persons	\$74,500
8 Persons	\$79,350

MORTGAGE CREDIT CERTIFICATE	
Family size:	Income limit
<i>Non-targeted areas</i>	\$60,100
One to two persons	\$69,115
Three or more persons	
<i>Targeted areas</i>	\$72,100
One to two persons	\$84,140
Three or more persons areas	

To request a complete information package on Housing Commission first-time homebuyer programs, call (619) 578-7302. For more information about the Home in the Heights program, contact Neighborhood Housing Services at (619) 282-1559. For information about all other programs and/or to sign up for free workshops and one-on-one counseling (offered in English and Spanish), please call any of the following HUD approved homebuyer program education agencies:

- **Consumer Credit Counselors of San Diego and Imperial County**
888-298-2227 - www.cccssdic.org
- **Neighborhood House Association**
619-263-7761
- **San Diego Home Loan Counseling Service**
619-624-2330
- **San Diego Neighborhood Housing Services**
619-282-1559 or www.sandiegohns.org
- **Union of Pan Asian Communities**
619-232-6454

For credit counseling, please call Springboard Non-profit Consumer Credit Management at 800-947-3752 or www.credit.org

For information on other programs within San Diego County, call Affordable Housing Applications at (858) 292-3300 or www.ahahousing.com.

For information on other homebuyer assistance programs provided through the State of California, please go to www.chfa.ca.gov.

**AREA MEDIAN INCOME
CHART FOR DETERMINING HOUSING PROGRAM INCOME LIMITS**

2002 San Diego County Median Income Limits by Household Size				
Area Median Income (AMI): \$60,100				
Family Size	100% of AMI Moderate Income	80% of AMI Moderate Income	60% of AMI Low Income	50% of AMI Very-Low Income
1	\$42,050	\$33,650	\$25,260	\$21,050
2	\$48,100	\$38,450	\$28,860	\$24,050
3	\$54,100	\$43,250	\$32,460	\$27,050
4	\$60,100	\$48,100	\$36,060	\$30,050
5	\$64,900	\$51,950	\$38,940	\$32,450
6	\$69,700	\$55,750	\$41,820	\$34,850
7	\$74,500	\$59,600	\$44,700	\$37,250
8	\$79,350	\$63,450	\$47,580	\$39,650

Note: Median income limits are subject to change.

AGENCY CONTACT INFORMATION:

San Diego Housing Commission
(619) 231-9400
www.SDHC.net

City of San Diego Redevelopment Agency
(619) 533-4233
www.SanDiego.gov

(The City's Comprehensive Housing Strategy is available to view on the city's web site, just click on City Manager and search under manager's reports)